



JOHN MARISCOTTI  
EXECUTIVE VICE PRESIDENT

**NATIONAL RAILWAY UTILIZATION CORP.**  
860 Suburban Station / 1617 John F. Kennedy Blvd., Phila., Pa. 19103 / (215) 569-2220

May 11 1977

MAY 11 3 26 PM '77

Date May 12, 1977

May 12, 1977

Fee \$ 100

I.C.C. 8820  
FEE OPERATION NO. 8820 Filed & Recorded

ICC Washington, D. C.

MAY 11 1977 -3 52 PM

Interstate Commerce Commission  
12th and Constitutional Avenue, N.W.  
Washington, D. C. 20423

INTERSTATE COMMERCE COMMISSION

Attention: Mrs. Lee  
Room 1227

RECORDATION NO. 8820 Filed & Recorded

MAY 11 1977 -3 50 PM

Gentlemen:

INTERSTATE COMMERCE COMMISSION

It is hereby respectfully requested that the following documents be recorded pursuant to the provisions of Section 20c of the Interstate Commerce Act:

8820 B 1. Chattel Mortgage, dated as of May 11, 1977:

RECORDATION NO. 8820 Filed & Recorded

Mortgagor: South Carolina National Bank  
P. O. Drawer 969  
Greenville, S. C. 29602

MAY 11 1977 -3 52 PM

INTERSTATE COMMERCE COMMISSION Mortgagee: INA Life Insurance Company  
P. O. Box 7728  
Philadelphia, Pa. 19101

2. Lease of Railroad Equipment, dated as of May 11, 1977:

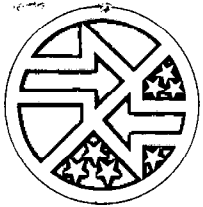
Lessor: South Carolina National Bank  
(address as stated above)

Lessees: Pickens Railroad Company  
P. O. Box 216  
Pickens, South Carolina 29671

National Railway Utilization Corporation  
860 Suburban Station  
1617 John F. Kennedy Boulevard  
Philadelphia, Pa. 19103

Virginia P. Cornell

*[Signature]*



Interstate Commerce Commission  
May 12, 1977  
Page Two

3. Assignment of Lease and Agreement dated as of  
May 11, 1977:

Assignor: South Carolina National Bank  
(address as stated above)

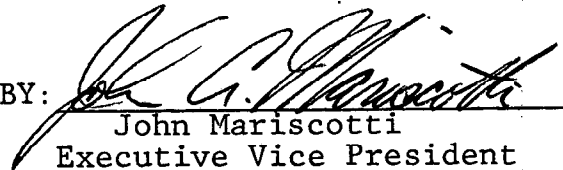
Assignee: Provident National Bank, as Agent  
1632 Chestnutt Street  
Philadelphia, Pa. 19101

General Description of the Equipment: 154 Boxcars,  
(50' 6" 70-ton), bearing  
Road Numbers NSL 100700  
through NSL 100853 (both  
inclusive), and each being  
marked: "South Carolina  
National Bank, Owner/Lessor,  
title subject to Mortgage  
filed pursuant to Interstate  
Commerce Act Section 20c".

Very truly yours,

NATIONAL RAILWAY UTILIZATION CORPORATION

BY:

  
John Mariscotti

Executive Vice President

JAM:ebw

0020-6

RECORDATION NO. .... filed & Recorded

ANNEX A

MAY 11 1977 - 3 20 PM

INTERSTATE COMMERCE COMMISSION

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ASSIGNMENT OF LEASE AND AGREEMENT

DATED as of May 11, 1977

between

SOUTH CAROLINA NATIONAL BANK

and

PROVIDENT NATIONAL BANK,  
as Agent

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Filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on May \_\_, 1977 at \_\_\_\_\_.m., recordation number \_\_\_\_\_.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of May 11, 1977, (hereinafter called this Assignment), by and between SOUTH CAROLINA NATIONAL BANK (hereinafter called the Lessor), and PROVIDENT NATIONAL BANK, as Agent (hereinafter called the Agent) under a Participation Agreement dated as of the date hereof.

WHEREAS, the Lessor is entering into a Purchase Agreement dated as of the date hereof with National Railway Utilization Corporation (Golden Tye Division), providing for the sale to the Lessor of units of railroad equipment described in Schedule A thereto;

WHEREAS, the Lessor, as lessor, and Pickens Railroad Company (hereinafter called the Railroad) and National Railway Utilization Corporation (hereinafter called National), as co-lessees (hereinafter collectively referred to as Lessee) have entered into a Lease of Railroad Equipment, dated as of the date hereof (hereinafter called the Lease), providing for the leasing by the Lessor to Lessee of such units or certain of them (the leased units hereinafter called the Units);

WHEREAS, pursuant to a Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement) among the Railroad, National, the Lessor, INA Life Insurance Company (hereinafter called the Lender) and the Agent, the Lender has agreed to advance to the Lessor up to 75% of the Purchase Price (as defined in the Lease) of the Units and the Lessor has agreed to issue Notes (as defined in the Participation Agreement) in an aggregate principal amount equal to such advances and, to provide security for the Liabilities including the Notes (the term "Liabilities" being defined in the Mortgage hereinafter referred to), to grant the Chattel Mortgage dated the date hereof (hereinafter called the Mortgage);

WHEREAS, in order to provide security for the Liabilities and as an inducement to the Lender to advance to Lessor up to 75% of the Purchase Price of the Units, the Lessor agrees to assign for security purposes its rights in, to and under the Lease to the Agent pursuant to the Participation Agreement.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Lessor hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the Liabilities, all the Lessor's right, title and

interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Lessor is or may become entitled under the Lease, and to enforce compliance by Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by Lessee for the account of the Lessor pursuant to the Lease. To the extent received, the Agent will apply such Payments to satisfy the Liabilities and to certain obligations and liabilities of Lessee to the Lessor all as and to the extent provided for in Paragraph 9 of the Participation Agreement under which the Agent is acting as agent. If the Agent shall not receive any rental payment under the first paragraph of §4 of the Lease when due, the Agent shall notify the Lessor at the address set forth in the Lease; provided, however, that the failure of the Agent so to notify the Lessor shall not affect the obligations of the Lessor hereunder or under the Mortgage.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify, the liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to Lessee shall be and remain enforceable by Lessee, and Lessee's successors and assigns, against, and only against, the Lessor or persons other than the Agent.

3. The Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Lessor; without the written consent of the Agent, the Lessor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place

specified therein or enter into any agreement amending, modifying or terminating the Lease and the Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4. The Lessor does hereby constitute the Agent the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled, to enforce compliance by Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Agent may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of the Liabilities, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Lessor, or its successors or assigns.

6. The Lessor will pay and discharge any and all claims, liens, charges or security interests on the Lease or the rentals or other payments due or to become due thereunder claimed by any party from, through or under the Lessor, or its successors and assigns (other than the Agent), not arising out of the transactions contemplated by the Participation Agreement or the Lease (but including tax liens arising out of the receipt of the income and proceeds from the Units) which, if unpaid, might become a claim, lien, charge or security interest on or with respect to the Lease or such rentals or other payments equal or superior to the Agent's interest therein, unless the Lessor shall be contesting the same in good faith by appropriate proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Agent, adversely affect such interests of the Agent.

7. The Lessor will, from time to time, execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Agent in order to confirm or further assure, the interest of the Agent hereunder.

8. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to

all the obligations of the Agent hereunder.

9. This Assignment shall be governed by the laws of the Commonwealth of Pennsylvania, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

10. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Section 18 of the Lease, or at such other address as the Agent shall designate.

11. The Agent hereby agrees with the Lessor that the Agent will not, so long as no event of default under the Mortgage has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Lessor to the Agent by this Agreement and which are for the sole benefit of the Lessor, without the prior consent of the Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

[Corporate Seal]  
Attest:

George E. Bridgini  
Assistant Cashier

SOUTH CAROLINA NATIONAL BANK

By Charles P. Gird  
Vice President

[Corporate Seal]  
Attest:

Walter C. McCann  
Authorized Officer

PROVIDENT NATIONAL BANK

By Joseph F. Colburn  
Authorized Officer

COMMONWEALTH OF PENNSYLVANIA :  
COUNTY OF PHILADELPHIA :  
SS:

On this 11<sup>th</sup> day of May, 1977, before me personally appeared Charles P. Pearl, to me personally known, who being by me duly sworn, says that he is one of the Vice Presidents of SOUTH CAROLINA NATIONAL BANK that one of the seals affixed to the foregoing instrument is the corporate seal of said banking association, that said instrument was signed and sealed on behalf of said banking association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said banking association.

Agnes C. Sullivan  
Notary Public

My Commission Expires: AGNES C. SULLIVAN  
Notary Public, Philadelphia, Philadelphia Co  
My Commission Expires August 6, 1979



COMMONWEALTH OF PENNSYLVANIA :  
COUNTY OF PHILADELPHIA : SS:

On this 11<sup>th</sup> day of May, 1977, before me personally appeared Joseph Delunese, to me personally known, who, being by me duly sworn, says that he is Asst. Pres. President of PROVIDENT NATIONAL BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said banking association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Agnes C. Sullivan  
Notary Public

[Notarial Seal]

AGNES C. SULLIVAN  
My Commission expires: Notary Public, Philadelphia, Philadelphia Co.  
My Commission Expires August 6, 1979

## CONSENT AND AGREEMENT

The undersigned, PICKENS RAILROAD COMPANY and NATIONAL RAILWAY UTILIZATION CORPORATION, each a South Carolina corporation (hereinafter collectively referred to as Lessee), the co-lessees named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease and Agreement (hereinafter called the Lease Assignment), hereby jointly and severally (a) acknowledge receipt of a copy of the Lease Assignment and (b) consent to all the terms and conditions of the Lease Assignment and agree that:

(1) Lessee will pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease (which moneys are hereinafter called the Payments) due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Provident National Bank, as Agent (hereinafter called the Agent), the assignee named in the Lease Assignment, at 1632 Chestnut Street, Philadelphia, Pennsylvania 19101, attention of Corporate Trust Department (or at such other address as may be furnished in writing to the Lessee by the Agent;

(2) the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by Lessee under the Lease;

(3) the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Agent, be terminated or modified, nor shall any action be taken or omitted by Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to

be a contract, effective as of the date of acceptance, under the laws of the Commonwealth of Pennsylvania and, for all purposes, shall be construed in accordance with the laws of said Commonwealth.

PICKENS RAILROAD COMPANY

[Corporate Seal]

Attest:

Allen W. Lamm  
Asst. Secretary

By

[Signature]  
President

NATIONAL RAILWAY UTILIZATION CORPORATION

[Corporate Seal]

Attest:

Allen W. Lamm  
Asst. Secretary

By

[Signature]  
President

The foregoing Consent and Agreement is hereby accepted as of the 11th day of May, 1977.

PROVIDENT NATIONAL BANK, as Agent

By

Joseph Federico  
Authorized Officer